Exhibit 1

BUILD-UP OF PINNACLE COST DISADVANTAGE ON CRJ-900s (AVERAGE PER YEAR)

This document identifies known, identifiable cost differences between Pinnacle and GoJet. It is not intended to be exhaustive of all cost differences

PILOT LONGEVITY

Longevity - current snapshot

	CA	FO	Weighted average
PNCL - CRJ900 [1]	[redacted]	[redacted]	[redacted]
GoJet - E170/175	5 2	1.3	3.3

Rate comparison - each carrier's average rates based on current longevity distribution and pay scale

	CA	FO	Weighted average
PNCL - CRJ900 [2]	[redacted]	[redacted]	[redacted]
GoJet - E170/175	$72.03	$26 81	$49.42

Pay-related costs for 41 CRJ900s for 1 year (current snapshot)

	CA	FO	Total	Gap vs. PNCL	Gap vs. PNCL per CRJ900
PNCL longevity and rates	[redacted]		[redacted]		
GoJet longevity and rates	$21,263,880	$6,063,177	$27,327,057	[redacted]	[redacted]
PNCL longevity disadvantage per CRJ900 shell vs. GoJet					**$256,770**

PILOT WORK RULES

Work rule disadvantage vs. GoJet (average value 2013 - 2018)

Methodology: PNCL work rules compared to GoJet. Where PNCL is less favorable, 100% of work rule value attributable to the CRJ900 is counted.

	Disadvantage - CRJ900 fleet	Disadvantage per CRJ900 shell
Reserves work 1 extra day per month	[redacted]	
Eliminate US customs credit		
Pilot uniform allowance		
Eliminate voluntary move benefits		
Deadhead (75% -> 50%)		
Vacancy training restrictions during fenced operations		
Trip disruption - pairing protection rather than leg-for-leg protection		
Eliminate positive space for pilots in training		
Hotel buyout - pilots in training have option to forgo hotel, saving split evenly		
PNCL work rules disadvantage per CRJ900 shell vs. GoJet		**$16,297**

PILOT 401k

401k disadvantage for 1 year - current snapshot

	CA	FO	Total	Gap vs. PNCL	Gap vs. PNCL per CRJ900
PNCL longevity and match rates	[redacted]				
GoJet longevity and match rates	$150,174	$34,856	$185,030	$926,118	$22,588
401k gap per CRJ900 shell vs. GoJet					**$22,588**

FLIGHT ATTENDANT PAY AND LONGEVITY

GoJet hourly rate per flight attendant	[redacted]
Pinnacle hourly rate per flight attendant	
GoJet cost per shell per year	
Pinnacle cost per shell per year	
Flight attendant cost disadvantage per shell	**$31,048**

Total gap per CRJ900 shell vs. GoJet	**$326,703**

Notes:

1) Pinnacle CRJ900 projected longevity factors in removal of 9E CRJ900s

2) Pinnacle cost structure in this analysis is based on May 18 proposa

Exhibit 2

In $ millions	AIRCRAFT CHANGE	PER AIRCRAFT GAP	1113 ASK	TOTAL AIRCRAFT	PER AIRCRAFT
			$76.47	181	$0.422

Fleet changes:

All Delta 50-seaters are flown by Pinnacle and get 76-seater for every reduction

140	Pinnacle 50-seaters
100	Delta goal
-40	Change to Pinnacle Fleet Plan if 100% of Delta's 50-seaters were at Pinnacle

	AIRCRAFT CHANGE	PER AIRCRAFT GAP	ADJUSTMENT	TOTAL AIRCRAFT	PER AIRCRAFT
Composition of Pinnacle fleet change:	181				
50-seaters	-40	$0.160	($6.40)		
76-seaters	40	$0.280	$11.20		
	181		$4.80		
			$81.27	181	$0.449
					6.3%

50-seater reductions are from Pinnacle first, replaced with maximum 76-seaters available under Delta scope

140	Pinnacle 50-seaters
109	Other DCI 50-seaters
249	Total DCI 50-seaters
100	Delta goal
-149	Change to Pinnacle Fleet Plan if all other DCI carriers keep their 50-seaters
140	Pinnacle 50-seaters
-9	To be removed from other DCI carriers

	AIRCRAFT CHANGE	PER AIRCRAFT GAP	ADJUSTMENT	TOTAL AIRCRAFT	PER AIRCRAFT
Composition of Pinnacle fleet change:	181				
50-seaters	-140	$0.160	($22.40)		
76-seaters	70	$0.280	$19.60		
	111		($2.80)		
			$73.67	111	$0.664
		ADJUSTMENT	($2.80)		57.1%

MID-CASE

Roughly 3:1 swap

	AIRCRAFT CHANGE	PER AIRCRAFT GAP	ADJUSTMENT	TOTAL AIRCRAFT	PER AIRCRAFT
Composition of Pinnacle fleet change:	181				
50-seaters	-90	$0.160	($14.40)		
76-seaters	35	$0.280	$9.80		
	126		($4.60)		
			$71.87	126	$0.570
		ADJUSTMENT	($4.60)		35.0%

Exhibit 3

FINAL TRANSCRIPT

Thomson StreetEvents℠

RJET - Q3 2011 Republic Airways Holdings Inc Earnings Conference Call

Event Date/Time: Nov. 08. 2011 / 3:30PM GMT

THOMSON REUTERS

CORPORATE PARTICIPANTS

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Republic Airways Holdings Inc - CFO

Bryan Bedford
Republic Airways Holdings Inc - Chairman, CEO

Joe Allman
Republic Airways Holdings Inc - VP, Controller

Daniel Shurz
Republic Airways Holdings Inc - VP Planning & Strategy

Greg Aretakis
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Evercore Partners - Analyst

Richa Talwar
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Raymond James - Analyst

Stephen O'Hara
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PRESENTATION

Operator

Good day ladies and gentlemen and welcome to the third quarter 2011 Republic Airways Holdings Incorporated earnings conference call. My name is Larry and I will be your operator for today.

At this time, all participants are in a listen-only mode. Later, we will conduct a question-and-answer session.

(Operator Instructions)

I would now like to turn the conference over to your host for today, Mr Tim Dooley, Chief Financial Officer of Republic Airways. Please proceed.

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Thank you, Larry, and good morning, everyone.

Welcome to our third quarter 2011 conference call. On the call today I am joined by Bryan Bedford, our Chairman and CEO; Joe Allman, our VP and Corporate Controller; Greg Aretakis, VP of Revenue Production; and Daniel Shurz, our VP of Strategy & Planning. Before we get started, let me cover our Safe Harbor disclosure.

Please note that the information contained in our earnings release last night and this call, contain forward-looking information as defined by US Securities laws. Forward-looking information is subject to risks and uncertainties, and we refer you to a summary of risk factors contained in our most recent filing with the Securities and Exchange Commission.

Now, I will turn the call over to Bryan to provide some opening remarks. Bryan?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Thanks, Tim. Good morning to all of our listeners.

We have a lot of material to cover this morning, as you have gleaned from our press release; but first, and on behalf of the entire senior leadership team I really want to thank the more than 10,000 Republic and Frontier employees who performed extremely well during a very difficult summer that included not only record load factors at Frontier, but also a very unusual summer hailstorm in Denver that knocked out 22 of our aircraft -- and predominantly Airbus aircraft -- for 10 days in July. We also had some significant fleet transition challenges and a modification program for 1 of our major airline partners on our E-Jets. So, despite all these obstacles, I'm very proud of the way our team responded to the challenges during the quarter and how well they focused on taking care of our customers. I'm also pleased with the financial results for the quarter; which, of course, is due in large part to the hard work of our employees. So, again, to my 10,000 coworkers, thanks so much.

I am pleased to share with you that as of yesterday, an agreement with the last key stakeholder to our Frontier restructuring effort was finally secured. With this news, we can now effectuate the restructuring agreements with all of our other key participants and begin to enjoy the benefits from the financial improvements in those agreements. This is truly a significant accomplishment for the team, and I want to thank all of our stakeholders for their support. By way of reminder, earlier this year, on our Q1 call, you will recall that we announced a program to improve Republic's business results by $100 million. During our Q2 call, we increased that target to $120 million of annual, consolidated business improvement. With this final key stakeholder agreement in place, I am pleased to share with you that we have now achieved over $110 million in business improvements. We still have a few partners with whom we're working with to obtain the remaining $10 million of improvement, and I do hope to be able to report further positive developments on our next call.

The substantial completion of the restructuring program is, of course, a significant milestone. However, it is not the end of the journey; but the start of a new direction. Based on the industry's financial results that we've seen this quarter, it's apparent that stubbornly high oil prices and uncertain economic climate have forced all airlines to remain disciplined on capacity, cost control, and maximizing revenue in order to sustain profitability. This profitability is critical to fund capital investments required to sustain a competitive product for our customers.

In order to manage capacity effectively, you need very reliable intelligence on how your network performs. As we began the restructuring effort, it became clear to us that we needed much better tools than we had. We decided to acquire a new flight profitability system from the IT division of Seabury Group, called Airline Performance Analysis System, or APAS. It took our team and the Seabury folks about 4 months to implement and test the new tools. APAS gives us a much deeper insight into the strengths and weaknesses of our network. It also gives us unique clarity on our aircraft costs, and it magnified the need for network restructuring and cost reductions for Frontier. We also intend to use APAS to analyze the financial results in our fixed-fee business segment in the coming months. APAS gives us better insight into all aspects of our business and should provide for the most accurate reporting of information to our shareholders.

Now, over the past few years, we've seen significant consolidation and even a few bankruptcies among regional airlines. As we sit here today, there are only 3 large publicly-traded regional airlines in the US. And, it's clear from their third quarter reports that some of our competitors' fixed-fee agreements aren't producing the financial results that investors have historically enjoyed. 1 reason for that is our compensation rates are tied to what has been a very benign CPI inflator over the last several years. This means that we, along with our other regional competitors, have seen very small increases in our compensation levels from our

major airline partners. Now, as the cost of regional carriers continue to increase, mainly in the areas of labor, healthcare, and aircraft maintenance, our fixed-fee compensation formulas have simply failed to keep pace with our actual cost increases. In an era of high fuel costs, the economics of the smaller, 50-seat regional jets are all the more difficult to overcome.

Add in the fact that major airline consolidation is leading to the downsizing of marginal hubs, and you have a recipe for what is likely to be less demand for 50-seat RJs for the industry in the years ahead. For Republic's part, we have been proactive in reducing our exposure to the 50-seat aircraft market. At the end of 2007, we operated more than 120 50-seat aircraft. Over the last 4 years we've sold, subleased, or returned to lessors almost 50 units. In 2007, 50-seat aircraft accounted for about 50% of our total fixed-fee revenues. In 2012, we expect that number to be about 20%. The good news is, we have approximately 80% of our 2012 fixed-fee revenues derived from more economically attractive E-Jet products. The bad news is, we have 32 small RJs coming off CPA contracts over the next 3 years, basically at a rate of 10 aircraft per year.

So it is difficult to see how we can continue to operate these aircraft for our major airline partners unless we can significantly reduce the operating costs. With that said, we intend to undertake a 50-seat RJ restructuring process similar to the one we just completed for Frontier. Now, it's too early to forecast the potential impact of this effort, but we intend to make the effort with our key stakeholders in an attempt to proactively address the operating costs and efficiencies of the 50-seat product, so that these aircraft will continue to provide value to our employees, shareholders, and CPA partners for years to come. We continue to believe there is a role for reliable, cost-effective 50-seat aircraft in the US domestic marketplace, and we believe Republic can continue to be a solution provider for our main line airline partners in this market segment.

For all the progress that we've made during the quarter on business improvement, the 1 goal we did not meet was liquidity. We had anticipated completing a secured debt financing transaction during the quarter. However, due to unexpected litigation filed by the International Brotherhood of Teamsters, challenging our restructuring agreement with the Frontier Airlines Pilots Association, we were unable to close that facility. Accordingly, we ended the quarter with lower levels of unrestricted cash than we'd anticipated on our last call. However, we believe that we have several opportunities to improve liquidity through the potential sale of aircraft, sale lease-back of aircraft, private placement of financing of the unencumbered spare parts, or the sale or financing of our slot holdings in DCA.

There is also one other potential source of liquidity that we haven't talked much about. With the completion of the restructuring effort at Frontier, this will allow us to begin the process to separate Frontier from Republic Airways. We intend to engage financial advisors to determine the most shareholder friendly method to return Frontier Airlines to a healthy, well capitalized, and independent low cost airline. With respect to the litigation, we have filed a motion to dismiss the complaint, which is pending in Denver federal court. However, as the litigation remains unsolved, another casualty was our E190 firm aircraft purchase order.

At this time, we simply can't afford to invest cash equity in new aircraft. We have reached a tentative agreement with Embraer to take 2 new E190s, and defer the other 4 firm aircraft indefinitely. As part of the agreement, Embraer will retain $2.2 million of our pre-delivery deposits as compensation for the deferral, and Embraer will return $2.8 million to Republic. The remaining deposits of approximately $12 million will be applied as the equity investment on the 2 aircraft. We plan to take both aircraft before the Thanksgiving holiday.

One final comment on our IBT relationship -- we have been in federally-mediated Section 6 negotiations with our pilots for the past 5 months. While we've made progress toward a new contract, much work remains to be completed. I think it's unfortunate that our union leadership has chosen to negotiate recently in the media. However, for our part we will continue to negotiate in good faith at the bargaining table. We remain hopeful that we'll find common ground on which to secure a new collective bargaining agreement. There's no doubt in my mind, Republic pilots are some of the best in the industry. We sincerely appreciate how they have helped build Republic into a great airline. We look forward to successfully reaching a new working agreement with the IBT and getting back to the job of growing Republic's regional jet business with our major airline partners.

So, with that introduction, I would like to turn the call back to Tim and the rest of the team to cover the specifics of our third quarter financial results.

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Thanks, Bryan, I'll cover the segment results first.

The results of the fixed-fee business -- excluding fuel, our fixed-fee service revenues were up a little over 1% on no change in block hour production compared to last year's third quarter. Our pretax income on the fixed-fee segment was $17 3 million for the quarter; that's down from $22.7 million, pretax results for the third quarter of 2010. We continue to see elevated maintenance expenses, for heavy check on all aircraft and engine restoration costs on our 50-seat regional jets. And that's caused about a 1% to 2% margin hit for the fixed-fee operation over the last few quarters. Unit costs, excluding fuel, but including interest for the third quarter, increased about 6%, to $0.0795, compared to $0.0752 in the third quarter of 2010. Again, due to significantly higher aircraft maintenance costs.

On the Frontier-branded operation, we're reporting total revenues of $485.9 million for the quarter. That's an increase of 9% from the 2010 result, on about a 1% decrease in capacity. The unit revenues of Frontier were $0.1226, and that's an increase of 10.0% from the third quarter of 2010 results, which was $0.1115. The load factor at Frontier increased 2 3 points from the third quarter of 2010, to 89.7%, which was an all-time record quarter for Frontier. Fuel costs for the quarter came in at $3.38 per gallon; that's including a $5 million charge, or $0.09 per gallon for our fuel hedge mark-to-market adjustment. So, $3 29 per gallon excluding that charge. That compares to a cost per gallon in the third quarter of 2010 of $2.32. We consumed about 58 million gallons for the quarter, and that drove about a $55 million increase in comparative fuel costs, year-over-year. We did settle the hedges that we had in place for Q3 positively, realizing a gain of $1.2 million. Heading into the fourth quarter, we are 25% hedged for our Frontier fuel consumption. We currently do not have any hedges in place for 2012.

Frontier's operating unit costs for the quarter excluding fuel was $0.0723, which was up slightly from the third quarter of 2010 and above our guidance of $0.07. Of course unit costs were negatively impacted by certain items, and the loss of ASMs from the July hailstorm. Absent the effect of those items, the unit costs would've come in under $0.071. I should also point out that we did not record any benefit of our A319 fleet lease restructuring program in the third quarter, which, on a quarterly basis should benefit our unit costs by approximately $0.002 going forward. So, we will see a higher benefit in Q4 to catch up for lease agreements that have effective dates back into the third quarter of 2011. We reported an ex-item pre-tax income for Frontier for the quarter of $15.3 million, and this compares to our third quarter 2010 pre-tax income ex-items of $19.4 million. So, a $49 million increase in Frontier revenues was basically offset by a $54 million increase in fuel costs, excluding the mark-to-market adjustments, year-over-year.

On a consolidated basis, including a $1.9 million pretax profit on our other business segment, we reported a consolidated pretax income of $15.2 million, net income of $9 million, which equates to diluted earnings per share of $0.18. That compares to net income per diluted share of $0.58 in the third quarter of 2010. However, our ex-item income per diluted share for this quarter was $0.40, using our quarterly tax rate of about 40%.

Now, I'd like to turn the call over to Joe Allman, our controller, to discuss our liquidity position and cash flow for the quarter. Joe?

Joe Allman - *Republic Airways Holdings Inc - VP, Controller*

Thanks, Tim.

We ended the quarter with approximately $390 million in total cash, which was down about $41 million from December 31, and $37 million from our June 30 balances. Our unrestricted cash decreased approximately $6 million during the quarter, from $191 million to $185 million. We had previously guided you to an unrestricted cash balance between $260 million to $270 million; but this, of course, assumed we had completed the secured debt financing during the quarter, which would have added approximately $85 million of unrestricted cash to our September 30 balances. If you recall, one of Frontier's restructuring

agreements included a condition to obtain additional liquidity in excess of $70 million by September 30. That condition was subsequently amended to remove a date-specific commitment; however, we continue to pursue the liquidity initiatives, as Bryan mentioned earlier in the call.

Let me give you some insight on our third quarter 2011 cash flows. Net cash provided by operating activities was $54 million during the quarter. We invested approximately $9 million in non-aircraft CapEx during the quarter, and we sold 2 of our A318 aircraft, and leased them back under short-term lease agreements. And the associated debt was extinguished, which was approximately $24 million. And the sales price, especially, brought those to a cash break-even transaction. We paid off approximately $75 million of debt during the quarter, of which $51 million was related to our normal debt repayments, and the $24 million of early extinguishment related to the sale of the A318 aircraft.

As we look to our year-end 2011 unrestricted cash balances, our previous guidance was around $250 million, had approximately a $90 million benefit based on the secured debt financing liquidity raise. So absent any liquidity event, we would now expect to end the year with unrestricted cash of approximately $150 million to $160 million. At September 30, we are in compliance with all of our restructuring agreements and debt covenants, and we believe that we have sufficient liquidity to maintain compliance throughout the fourth quarter and all of 2012.

Now, I'm going to turn the call over to Daniel Shurz, who will walk you through our Frontier network and fleet changes. Daniel?

Daniel Shurz - *Republic Airways Holdings Inc - VP Planning & Strategy*

Thanks, Joe; good morning to all of you.

As you've heard, Frontier is making good progress in reaching our restructuring goals. In that one change we've made, we're already having a very simple and positive impact in that regard which will only grow in the coming quarters. I'd like to start by reviewing some upcoming fleet changes.

As Bryan mentioned, we'll be taking delivery of the 2 new 190s in the next couple of weeks, which will grow that fleet to 17 until fall of 2012, when 2 of our leased E190s will be returned. In the first quarter of 2012, 4 A319s and 1 A318 will leave the fleet as they return to lessors. And we'll be adding a fifteenth A320 to our fleet.

The schedule change we made to improve the profitability of our Milwaukee network means that the remaining 3 170s at Frontier will exit the schedule in early January, and that by that time only 6 ERJs will be flying for Frontier. We expect the number of ERJs to be down to 3 by April. And obviously, as our average seat density grows, we expect our units cost to continue to decrease. As we discussed earlier in the year, we added 2 seats to our A319 fleet in the second quarter. The incremental revenue produced by the extra capacity has already paid for that project more than 2 times over, and our ongoing increasing load factors and the success of this project are leading us look at either further capacity to both our A319 and A320 fleets.

And our assessment of the additional seats and costs is ongoing, and we expect to have an update for you on the next call. Bryan's obviously talked about the APAS toll. As we study the results that are coming out of it, we're making more detailed changes to forward schedules. As a result, we currently expect over fourth quarter, scheduled capacity will decrease approximately 2% to 3% from the fourth quarter of 2010; and the change in this guidance in the last 90 days, as a result of more aggressive day-of-week adjustments as well as the aforementioned Milwaukee schedule changes. In the first quarter 2012, we'll continue to apply the day-of-week adjustments, and additionally our tropical line ramp for vacations ramps up. And as a result of them now, we're expecting our first quarter 2012 scheduled ASM capacity to fall between 8% and 9% year-over-year. We are -- to see generally restrained capacity in our core markets with the level of changes we've announced in the last 90 days, Kansas City will become our second largest operation in terms of the ASM capacities of Q1.

And Denver will represent slightly over 80% of our scheduled capacity --. We expect total domestic capacity in Denver to be down 2% to 2 5% in the fourth quarter and to fall back to 2% in Q1. More relevant to our economic performance is same-store capacity which is defined as capacity on markets we flew in both periods. That will be down around 4% in Q4 and down by 4% to 6% in the first quarter of 2012 and these are the sharpest drops in same-store capacity we've seen in recent times in Denver.

In Kansas City the situation is somewhat different. Although domestic capacity in total is expected to be flat in Q4 and up between 1% to 3% in the first quarter 2012, same-store capacity will be up 6% to 7% in Q4, and 7% to 9% in Q1; primarily as a result of Delta's capacity increases which occurred this past summer. Milwaukee capacity levels are falling. And it looks as if total domestic capacity will be down 9% to 10% in Q4, and by a more significant 11% to 13% in the first quarter of 2012.

In the markets we serve, same-store capacity is declining even more rapidly, and we expect it to fall in Q4 between 13% and 14%, and in the first quarter between 13% and 15%. We have developed a locally focused schedule for Milwaukee that takes effect in January, for which we expect our financial results to be significantly stronger. And obviously, as many of our competitors have noted in the last few weeks, the ongoing domestic capacity discipline is having meaningfully beneficial results to the industry as a whole. And our revenue results are no exception.

With that and for more details I'll turn the call over to Greg.

Greg Aretakis - *Republic Airways Holdings Inc - VP Revenue Production*

Thank you, Daniel, and good morning, everyone.

I would like to start by reviewing our third quarter actual unit revenue and capacity results. As Tim mentioned before, our third quarter TRASM increased by 10% to $0.1226, compared to the third quarter of 2010. That TRASM was a bit better than our guidance of $0.120 to $0.122, mainly due to better yields.

Capacity was down 0.9%, as Daniel mentioned, and that's also in line with the guidance that we gave you last time of flat to down 1%. Our TRASM results were particularly notable, as seats per departure increased by 7%, to 108 seats per departure. Last quarter, we had reported that we were seeing healthy demand and that trend continued through the quarter. Our load factor increased by 2.3 load factor points versus last year's third quarter, to an average of 89.7%, which was not only an all-time record for the quarter, but an all-time record for any quarter at Frontier. Our yields increased by 9.9%, as higher loads allowed us to revenue manage better, and more rigorously.

The capacity discipline across the domestic industry has continued through the quarter, although we saw new competitive service in a number of Kansas City markets in early June, which distorted revenue trends there. In general, high demand led to a benign pricing environment during the third quarter. There were no industry fare increases in the third quarter; however, as we move into the fall season, with corresponding lower demand levels, we've seen a higher frequency of sale activities. However, 1 recent development which is encouraging, is that we just saw our first domestic fare increase since the spring. Our revenue management team continues to perform at a high level, and we are starting to see the benefits of bid price optimization which we installed earlier in the year. We've converted about 0.33 of our markets to bid price, and we are on pace to have the entire airline under bid price optimization by year-end.

The early returns are positive. For example, in 1 low-demand market, which is among the first to be converted, overall revenue went from a year-over-year revenue deficit of 7% prior to conversion, to an 11% revenue premium post conversion to O&D control. This was driven exclusively by a better mix of connecting revenues while local traffic remained flat. Ancillary product sales continue to be a significant component of our business, and we're making changes to deliver more of what our customers want. For example, in the second quarter, we eliminated change fees on our classic bundle, and in the third quarter we saw sales on FrontierAirlines.com increase by 3 percentage points, from 42% to 45%.

Last month, we expanded our stretch seating product to include the exit rows on Airbus and E190 E-Jets. These seats, which have at least 35 inches of pitch, have long been sought after by our premium customers. Based on the popularity of the stretched product, we expect the additional seats, which range from 4 on the E190s to 12 on the A320s, to be worth in the range of $5 million on an annualized basis.

Now, looking at the fourth quarter, we are estimating TRASM in the $0.116 to $0.117 range; that's up slightly from previous guidance that we gave, and would represent an 8% to 9% increase over last year's fourth quarter results on an expected capacity reduction of 2% to 3%. Some advanced booking data on our branded business. So for October -- traffic, which we reported yesterday was very strong, with a record load factor of 88% exceeding the 2010 load factor by nearly 5 points on a 3% reduction in ASMs. TRASM will exceed that of 2010 by around 11%.

November is booking well and we're tracking towards a 4 to 5 load factor point improvement versus last year's result of 81%, on a capacity reduction of 2%. December, also strong, is currently looking 3 to 4 points ahead of last year, when Frontier produced a load factor of 80%, and that will be on a capacity reduction of 2%. So, in total, the quarter is booking toward an 85% load factor, which again would be a Company record for the quarter, and would be around 4 points ahead of the fourth quarter of 2010.

With that, I'll pass it back to Bryan to wrap up.

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Well, thanks, Greg.

As Daniel alluded to, we are making significant changes to our Frontier network as we head into the 2 lowest demand quarters of the year. Our presence in Milwaukee is shrinking over the next 2 quarters. We have made the difficult decision to ground small jets and reallocate aircraft time elsewhere on our network, where we believe we will enjoy better financial results. Again, based on the new flight profitability tools that we have, we've determined we are much better of in times of low demand and high fuel prices to simply park small regional jets rather than operative them at a significant loss in the Frontier network.

Unfortunately, this will cause a reduction in our workforce throughout the Company. I do want to recognize and thank our IBT leadership, who worked with us in response to the decrease in small jet flying to find ways to limit the impact on our pilots. This does give me some hope that, when faced with mutual challenges, we can work collaboratively to come up with mutually beneficial solutions.

Aside from the reduction in 50-seat flying at Frontier, of course, we've reallocated 14 E170s from our brand business back into our fixed-fee operation. We completed that in October. By the first of the year, we will have fewer than 10 small aircraft. These are aircraft with fewer than 99 seats, operating in the Frontier brand. That's down from 37 aircraft we had when we started the restructuring process back in May. So, you can see this is a significant change in the focus of our business.

So, as we complete the restructuring effort at Frontier, we certainly expect that we are going to see significant improvements in labor, maintenance, and aircraft ownership costs on the Airbus fleet. To give some perspective of this, again, focusing on the 99-seat and above product, the E190s and the Airbus, our year-to-date September -- this is year-to-date, so last 9 months -- ex-items, ex-fuel operating cost, was about $0.065. And, we expect the lease restructuring and other restructuring benefits to continue to move that number lower. So, we're definitely moving Frontier in the direction of becoming an ultra low cost airline. As evidence of that progress, we're able to now improve our guidance for Q4 for Frontier to an ex-item positive operating margin of 0% to 1%, and that's up from our previous guidance of negative 1% to negative 2% that we gave you last quarter. And that's based on an all-in fuel cost of $3.30 a gallon.

Now, I want to be clear -- we are expecting some significant non-cash items in Q4. This is associated with writing off the maintenance reserve deposits associated with an early return of 4 A319 aircraft that will happen in the first quarter of 2012. But again, these are non-cash in nature and part of the global restructuring effort at Frontier. As we look into 2012, we're estimating more than 95% of our Frontier capacity will be produced on E190 and Airbus aircraft. Of course, we are projecting a much smaller Frontier footprint in 2012, due to all of the removals of the small jets I just alluded to. The current fleet plan anticipates capacity reductions next year on the magnitude of 10% to 12% compared to 2011, and that's an estimated -- 2011 was estimated ASM capacity of approximately 15 billion ASMs. Despite the smaller level of operations, and due to the efforts of our restructuring program, we are currently projecting ex-fuel operating costs of about $0.065 for our 99-seat plus flying.

And in total, including the remaining smaller aircraft that we'll utilize, we are looking at total Frontier ex-fuel operating unit cost in the $0.068 to $0.069 range. Then again, that's assuming the continuation of $3.30 per gallon fuel costs. And those levels, we should see a solidly profitable Frontier business in 2012.

So, very encouraging progress in the quarter. I want to again extend my thanks to the management team here and to all our employees. And a special thanks to all the key stakeholders that worked collaboratively with us over the last 6 months to improve Frontier and put it on a new path for the future. So thanks very much.

With that, Larry, I think we are ready for questions.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions) Duane Pfennigwerth, Evercore Partners.

Duane Pfennigwerth - *Evercore Partners - Analyst*

Just maybe you could help us in terms of all the restructuring that you've completed at this point, what do you think the breakeven fuel price for the Frontier business is in 2012?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Well, Duane, it's got to be above $3.30, I mean at $3.30 we believe Frontier will be solidly profitable. So somewhere North of that.

Duane Pfennigwerth - *Evercore Partners - Analyst*

Okay and that $0.065 sort of ex-fuel chasm is that including interest expense or excluding.

Tim Dooley - *Republic Airways Holdings Inc - CFO*

No, that's excluding interest, but there are very few owned airplanes at Frontier. The interest expense is around a $0.001.

Duane Pfennigwerth - *Evercore Partners - Analyst*

Okay, that's helpful. And then, how should we be thinking about the sort of other line, where I think today it's profitable and as you maybe parked some smaller aircraft there, that may move to a loss position? How should we be thinking about that line in the fourth quarter and into next year?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Yes, good question. We probably should have fronted this. This is about a $3.5 million turn in the fourth quarter, so down from $1.5 million to $2 million positive to slightly down in the fourth quarter. That number does grow based on the current business plan in 2012. As we do have, as Bryan mentioned some small jets coming out of service. So, we would project a magnitude of about $25 million of parked aircraft costs, but that's assuming no mitigation whatsoever, no extension of agreements that's sort of worst case.

Duane Pfennigwerth - *Evercore Partners - Analyst*

Okay, that's helpful. And then just lastly on fixed-fee and I apologize if you stated this, but is there a new margin profile that we should be thinking about with respect to that business? Is it lower or is it 7% to 8%, assuming you make some progress on the restructuring on that side? Thanks for taking the questions.

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Thanks, Duane. I think we'd continue to guide to a 7% to 8% margin for 2012.

Operator

Michael Linenberg, Deutsche Bank.

Richa Talwar - *- Analyst*

This is actually Richa Talwar filling in for Mike. My first question has a couple of parts. First, I was hoping you could break out that $26 million in savings, you expensed from the A319 lease adjustment as well as confirm whether it includes the return of the 4 A319s in the first quarter 2012. It sounds like it does but I just wanted to confirm and the second part of that question is, whether those savings are ongoing or if we could expect a reduction or claw-back and a level of savings going forward? Thanks.

Joe Allman - *Republic Airways Holdings Inc - VP, Controller*

The savings on the aircraft lease deals are ongoing so no claw-back's, no equity kickers, no other -- they were straight renegotiation's of the lease obligations. I'm not sure I caught the first part of your question, Tim, did you get it?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Yes, the question of does include the 4 airplanes going back? No, it does not include the amount that we would spend on the leases that we would have otherwise spent on those leases. The savings is on aircraft that remain in the fleet, Richa.

Richa Talwar - - *Analyst*

Okay, but can you break it out like how you -- like what those savings entail? Or is that $26 million as far as the breakout goes?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Well, the $26 million is just the economic difference between what the rent would have been prior to restructuring versus what the rent is going to be after restructuring. So, that is a $26 million ongoing annual benefit for as long as the aircraft are retained.

Richa Talwar - - *Analyst*

Okay, perfect. Okay, and then on a related note, in addition to the 41 A319s in your fleet, on the A320s, do you have any additional restructuring savings that could be sheathed from those aircraft? Or, is the market for A320 sufficiently stronger than the A319 that similar concessions are tougher to obtain in that market?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Most of the A320s we have are actually fairly new. So, they are at the market. We have a very small number that we felt we had some opportunities to get some savings and we actually did restructure those as well. So, that is embedded in the $26 million.

Operator

Helane Becker, Dahlman Rose.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Just a couple of clarification questions. Did you get rid of the E318s?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

A question, Helane, good morning. So, we did a sale lease back of those aircraft for a relatively short period of time. Essentially because we needed to use some of the motors off the aircraft to get us through some heavy maintenance on the other 320 and 319 fleet. So we will have 4 of those aircraft in the portfolio, 2 of them are going to go back in 2012 and the other 2 will transition out in early 2013.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Okay. I thought I had heard they had gone to the Breakers (laughter), but I guess they've gone to get the motors taken off.

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Well, they are in the process of being returned. So, again, they're with us over about an 18-month period.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Okay. Well, that's helpful. And then, one point of clarification, somebody was speaking, I don't remember which of you spoke, it wasn't Tim or you, Bryan, but somebody was talking about capacity adjustments and I didn't get whether he said, I think domestic capacity in the fourth quarter and the first quarter for Kansas City, I did not get whether that was 67% or 6% to 7%?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Helane --

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

He's British so you have to --

Tim Dooley - *Republic Airways Holdings Inc - CFO*

He's the guy with the funny accent.

Daniel Shurz - *Republic Airways Holdings Inc - VP Planning & Strategy*

Helane, it is Daniel Shurz. I will try -- it's 6% same-store capacity will be up between 6% and 7%, not -- I would've expressed rather more alarm if it had been 67%.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Okay. Thank you. That was really helpful. And then, my last question is with respect to your comment, Bryan, about separating out Frontier. So, are we to think that you're looking at a spin out of that? Or a sale to another airline? Or, I'm not sure how to take that?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Well, I don't think we gave you any other way you can take it. At this point, well the Board has decided that with this restructuring accomplished, it's time to start to separate the 2 businesses back into their sort of constituent parts. One will be the original legacy Republic or where we'll return to its business roots as a dedicated provider of safe, reliable, low cost regional airline capacity to the network carriers. And Frontier, while we haven't spent a lot of time talking about the future, we believe that there is a path to continue to reduce operating unit costs closer to $0.06 ex-fuel chasm. So we still have additional work to do next year, and as part of that process we think that airline is going to be attractive either to private equity or to our shareholders or potentially to a strategic investor. So, all I can tell you at this point is, we will hire advisors, Helane and we will begin the process of looking for shareholder friendly options to monetize the asset.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Okay, well that's very consistent with what you've been saying all along about that operation. So, I don't think that should be a surprise, right?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Well, I think we just weren't sure whether or not we had a business that would be salable. And, until we got restructuring accomplished, there really wasn't a whole lot to talk about. So, now that it is done, and again, while there is some work to remain because we think we can continue to improve the business, we are at the point where the Board is comfortable again engaging advisors and starting down the formal process of separating the business.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Okay, and then just one last question on something I saw last week about your thoughts in terms of slot sales at DCA. I don't know if the media reports picked it up incorrectly, but somehow I thought those slots were regional jet slots that were actually in service for US Airways and that they actually owned the slots. So, could you just explain to me what the real -- what I should think about that? Or why I'm wrong or whatever?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Sure. Well, confused, maybe.

Helane Becker - *Dahlman Rose & Co. - Analyst*

Yes, that's the word.

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

I would never say you are wrong. It's simple. We own the slots. We, as part of the agreement back in 2005 bought a bunch of assets from US Airways including Embraer 170's that are now in service for US Air. We purchased those slots for -- in round numbers $50 million, and we own the slots and we lease them back to US Airways. US Airways has a call right on the slots, so they can buy them back whenever they want, they give us notice, they write us check and they take beneficial ownership of the slots. The unique difference about that transaction, Helane, is those slots are also used as a security interest with the JSA that Republic has with US Air. And even in a world where US Airways were to buy the slots back, they would still remain as a collateral interest under their future performance of the JSA through 2020. So, that is sort of unique aspect of the transaction.

Now, we cannot sell those slots to anyone other than US Airways. But, what we can do is we can pledge them as collateral. So, we can leverage them and the slots today are worth a lot more than what they were worth in 2005. Today the slots have an appraised value North of $80 million. So, I think, we put it out on the table as what we think is a real asset that we could drive liquidity from but we can't sell them. We can only use them as a collateral on a facility.

Operator

(Operator Instructions) Savanthi Syth, Raymond James.

Savanthi Syth - *Raymond James - Analyst*

Is there any debt of the Frontier subsidiary to which the Parent Company is the guarantor?

Joe Allman - *Republic Airways Holdings Inc - VP, Controller*

We do have a Parent Company guarantee on the Affinity Card which is with Barclays, which would be eliminated by a change in control.

Savanthi Syth - *Raymond James - Analyst*

Okay. Thanks. Then a quick question on the high-end maintenance that you saw in the quarter, how long is that expected to continue and is it possible to quantify that?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Well, as I mentioned, Savanthi, this is Tim, it was about a 1 to 2 point hit on the fixed-fee business for the last few quarters. We are at the top of the wave of engine restoration costs for our 145 aircraft. We are expecting relief from that in the fourth quarter and as we go into 2012 and we expect those levels to help fixed-fee margins back to the range we're used to seeing in the 7% to 8% range.

Savanthi Syth - *Raymond James - Analyst*

Okay, great. Then my last question is regarding the $110 million achieved so far. Is the amount similar to the schedule that you had outlined in the last quarter's press release? And the timing as well?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Yes. It's consistent.

Savanthi Syth - *Raymond James - Analyst*

Okay. And, so by the first quarter we should be at the $110 million run rate?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

I think that's accurate.

Savanthi Syth - *Raymond James - Analyst*

And maybe in the kind of by the fourth quarter, we would be at an $85 million run rate?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

Are you asking what the --

Savanthi Syth - *Raymond James - Analyst*

On an annual basis?

Tim Dooley - *Republic Airways Holdings Inc - CFO*

The benefit for the quarter is probably in the $20 million range, $20 million to $25 million.

Savanthi Syth - *Raymond James - Analyst*

Okay. Is that annualized? Or just --

Tim Dooley - *Republic Airways Holdings Inc - CFO*

No, that's for the fourth quarter. So it's not quite all there in the fourth quarter, it gets all there in the first quarter.

Operator

Steve O'Hara, Sidoti & Company.

Stephen O'Hara - *Sidoti & Company - Analyst*

I had you up on the call late, but did you discuss the C Series at all?

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

We have not discussed the C Series. There's no change in that situation, so there's really no update there.

Stephen O'Hara - *Sidoti & Company - Analyst*

Okay. And then in terms of the ex-fuel unit costs that you talked about. I think you said it was about $0.065 on the larger jets in the third quarter and then it sounded like you expected that to be kind of the going rate in 2012 as well? I mean it seems flat, is that just because you're talking about less capacity?

Joe Allman - *Republic Airways Holdings Inc - VP, Controller*

Yes. In a smaller operation, you do lose some benefit of scale, specifically for airport costs and landing fees. So, we are going to see an increase in that area and that's over a $0.001.

Stephen O'Hara - *Sidoti & Company - Analyst*

Okay, then I guess in terms of the fixed-fee business, did you update kind of the revenue number you might think about for 2012?

Joe Allman - *Republic Airways Holdings Inc - VP, Controller*

We're looking at about $1.1 billion of revenue on the fixed-fee operation in 2012.

Operator

Michael Linenberg, Deutsche Bank.

Richa Talwar - - *Analyst*

Sorry, I didn't want to take up too much time in the beginning, but thank you for taking a follow-up question. This just has to do with the provision separating your branded and fixed-fee business. You did touch on this during your last conference call, but I was hoping you would be able to offer bit more color on whether there's any cross collateral provisions or crossed default provisions between the 2 businesses?

Joe Allman - *Republic Airways Holdings Inc - VP, Controller*

Okay. As I mentioned earlier, there is a Parent Company guarantee for as long as we are the controlling holder of Frontier for the Barclays Affinity Card, for our mileage program. So, a change of control there would separate that guarantee. Secondly, due to the fact that when we purchased Frontier, there were some provisions in some of the aircraft lease agreements that created affiliate Company liability, frankly in our diligence we haven't really focused on that. But again, as we separate the businesses they will no longer be affiliates and whatever that tangential connection was will be broken. So, I think the short answer to your question is, once separated they truly are separate.

Richa Talwar - - *Analyst*

Got it. Thanks for clarifying.

Operator

With no further questions, I would like to turn the call back over to Mr Bryan Bedford, Chairman and CEO, for closing remarks.

Bryan Bedford - *Republic Airways Holdings Inc - Chairman, CEO*

Thanks, Larry. Well, again, there was a lot of material to cover today. We appreciate your patience with the management team as we are working through the fairly rigorous process of getting both of our businesses put back on a strong foundation for future profitability. And again, we know we still have more work to do and I just again want to thank our employees for their continued engagement with our customers and with our partners and we continue to look forward to reporting improved results in the next quarter. So thanks so much for your patience, and we will chat with you in another 4 months.

Operator

Ladies and gentlemen, that concludes today's conference. Thank you for your participation. You may disconnect at this time. Have a great day.

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